



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 23RD DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

REGULAR FIRST APPEAL NO.2376 OF 2023 (RES)

BETWEEN:

SHAMALA
W/O K NARAYANASWAMY
AGED ABOUT 60 YEARS
PRESENTLY
R/AT PATEL SHETTAPPA
FARM HOUSE
APPUPETE WARD NO.23
DEVANAHALLI
BENGALURU RURAL DISTRICT - 562110

...APPELLANT

(BY SRI.D.N.RAMACHANDRAPPA, ADVOCATE)

AND:

SRI.B.M.AIYAPPA
S/O LATE B.C.MUTHANNA
AGED ABOUT 51 YEARS
R/AT NO.263, JAJIVILLAS
NO.407, SFS, 1ST 'B' MAIN ROAD
YALAHANKA, NEW TOWN
BENGALURU - 560064

...RESPONDENT

(BY SRI.K.S.BHEEMAIAH, ADVOCATE)





THIS RFA IS FILED UNDER SEC.96 R/W ORDER 41 RULE 1 OF CPC., AGAINST THE JUDGMENT AND DECREE DATED 12.10.2023 PASSED IN O.S.NO.5791/2021 ON THE FILE OF XXXIX ADDITIONAL CITY CIVIL AND SESSIONS JUDGE, BANGALORE CITY., PARTLY DECREERING THE SUIT FOR EJECTMENT AND ETC.

THIS APPEAL, COMING ON FOR ADMISSION, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

ORAL JUDGMENT

The captioned appeal is filed by the defendant - Tenant directed against the judgment and decree dated 12.10.2023 passed in O.S.No.5791/2021 on the file of the learned XXXIX Additional City Civil Court, Bengaluru.

2. For the sake of brevity, the parties are referred to as per their rankings before the Trial Court.

3. Brief facts leading to the case are as under;

The plaintiff-Landlord instituted O.S.No.5791/2021 seeking ejectment of the defendant-Tenant from the suit schedule premises. It is specifically pleaded that the defendant entered into a Rental Agreement dated



05.04.2021, creating a month-to-month tenancy at a rent of Rs.24,000/- per month, which was subsequently reduced to Rs.23,000/- per month. According to the plaintiff, the defendant committed persistent default in payment of rent from the very inception of tenancy i.e., from 05.04.2021. It is further averred that a legal notice terminating the tenancy was issued, calling upon the defendant to quit and deliver vacant possession within 30 days. In response, the defendant is stated to have sent an evasive reply raising untenable contentions and, instead of complying with the demand, allegedly demanded a sum of Rs.5,00,000/-. The said conduct, according to the plaintiff, necessitated the institution of the present ejectment suit.

4. Upon service of summons, the defendant entered appearance and filed a detailed written statement denying the plaint averments in *toto*. The defence set up by the defendant was that the plaintiff himself had committed breaches of the terms of the Rental Agreement. It was



contended that the plaintiff failed to repaint the premises, did not provide two new geysers for the bathrooms as allegedly agreed, and neglected to clean the water sump tank and solar water tank. On these grounds, the defendant sought dismissal of the suit, contending that the alleged defaults were attributable to the plaintiff's own lapses.

5. On the basis of the rival pleadings, the Trial Court framed necessary issues for consideration. The plaintiff examined himself as P.W.1 and produced seven documents marked as Exs.P.1 to P.7 in substantiation of his claim. The defendant, however, did not enter the witness box nor adduce any oral or documentary evidence in support of the defence taken in the written statement. The Trial Court, having recorded a finding that the tenancy stood validly terminated, decreed the suit and directed the defendant to quit and deliver vacant possession of the suit premises. The Court further awarded damages/mesne



profits at the rate of Rs.46,000/- per month from 06.10.2021 till delivery of actual vacant possession.

6. Aggrieved by the said judgment and decree, the defendant-Tenant has preferred the present appeal.

7. The learned counsel appearing for the appellant-Tenant, reiterating the grounds urged in the memorandum of appeal, vehemently contended that the award of damages at Rs.46,000/- per month is arbitrary and unsupported by any cogent material. It is submitted that the defendant had handed over the keys much prior to the date reflected in the order sheet and that the Trial Court has failed to assign any reasons or indicate the basis for doubling the contractual rent while determining damages. Though the order sheet dated 11.11.2025 records handing over of keys on that date, it is contended that the keys were in fact delivered earlier to the counsel for the plaintiff and that lapses on the part of the defendant's counsel ought not to enure to the detriment of the defendant.



Therefore, it is urged that the direction to pay damages at Rs.46,000/- per month from 06.10.2021 calls for interference.

8. *Per contra*, the learned counsel appearing for the respondent-Landlord, drawing attention to the records, submits that during pendency of the suit only a sum of Rs.1,73,000/- was paid towards arrears and that the defendant remained in continuous default from 05.04.2021 till the date of delivery of possession i.e., 11.11.2025. It is contended that the award of damages at Rs.46,000/- per month is justified having regard to the conduct of the tenant, who continued in unauthorized occupation after termination of tenancy without paying the agreed rent, thereby causing financial loss to the landlord. On these grounds, it is prayed that the appeal be dismissed and the decree of the Trial Court be affirmed.



9. In the light of the rival submissions and the material available on record, the following points arise for consideration:-

(i) Whether the award of damages at the rate of Rs.46,000/- per month from 06.10.2021 till delivery of possession is excessive, unsupported by reasons, and therefore warrants interference by this Court?

(ii) What order?

Findings on Point No.(i):-

10. On a comprehensive and holistic re-appreciation of the reasoning assigned by the learned Trial Judge, this Court finds that the determination of damages at the rate of Rs.46,000/- per month is not founded on any discernible legal or factual basis. While it is no doubt true that the plaintiff would be entitled to claim escalation of rent at the rate of 5% per annum as stipulated in the Rental Agreement, the impugned judgment does not



disclose any discussion as to how the figure of Rs.46,000/- per month was arrived at. The learned Judge has neither adverted to the escalation clause nor undertaken any computation on record. There is no reference to prevailing market rent, comparative instances, or any independent evidence justifying enhancement to double the agreed rent. In absence of such reasoning, the award of damages at Rs.46,000/- per month appears to be arbitrary and unsupported by analytical consideration. Therefore, this Court is of the considered view that the quantification of damages by the Trial Court lacks supporting reasons and cannot be sustained in its present form.

11. Be that as it may, it is an admitted and undisputed position that the contractual rent payable at the time of alleged default was Rs.23,000/- per month. The plaintiff has not placed any documentary material on record to demonstrate that the prevailing market rent for similar premises in the locality was Rs.46,000/- per month. Nor has any independent evidence been adduced



to substantiate that the rental value had doubled during the relevant period. In matters relating to mesne profits or damages for use and occupation, the Court is required to either rely upon cogent evidence of market rental value or provide a reasoned basis for enhancement over the contractual rent. In the present case, neither course has been adopted.

12. If the escalation clause contained in the Rental Agreement is applied strictly, providing for enhancement at the rate of 5% per annum, the computation even over a span of four years would not justify fixation of damages at Rs.46,000/- per month. On a *prima-facie* calculation, the rent would increase incrementally year after year by 5% on the preceding year's rent and would not, by any reasonable standard, reach double the original agreed rent within four years. Therefore, in absence of any supporting material or reasoned discussion, the assessment of damages at Rs.46,000/- per month is clearly excessive and disproportionate to the contractual stipulation.



13. Accordingly, this Court is inclined to hold that the quantification of damages as made by the Trial Court warrants interference and calls for reassessment on a rational and legally sustainable basis.

Rate of Rent	Amount	Total
Rs.23,000/- p.m. from 05.04.2021 to 28.02.2022	Rs.23,000/- x 11 months	Rs.2,53,000/-
Rs.23,000/-+5% p.m. (Rs.24,150/-) from 01.03.2022 to 31.01.2023	Rs.24,150/- x 11 months	Rs.2,65,650/-
Rs.24,150/- + 5% p.m. (Rs.25,358/-) from 01.02.2023 to 31.12.2023	Rs.25,358/- x 11 months	Rs.2,78,938/-
Rs.25,358/- + 5% p.m. (Rs.26,626/-) from 01.01.2024 to 30.11.2024	Rs.26,626/- x 11 months	Rs.2,92,886/-
Rs.26,626/- + 5% p.m. (Rs.27,957/-) from 01.12.2024 to 31.10.2025	Rs.27,957/- x 11 months	Rs.3,07,527/-
Rs.27,957/- + 5% p.m. (Rs.29,355/-) from 01.11.2025 to 11.11.2025	Rs.29,355/- x 11 days	Rs.10,763/-
Total Rent from 05.04.2021 to 11.11.2025		Rs.14,08,764/-
Rs.250/- p.m. as maintenance for 4 years		Rs.12,000/-
Grand Total		Rs.14,20,764/-



Total advance amount to be deducted (less)	Rs.1,25,000/-
Total arrears amount to be paid	Rs.12,95,764/-

14. In view of the break-up calculation referred to supra and having regard to the escalation clause contained in the Rental Agreement, this Court is of the considered opinion that the plaintiff-Landlord would be entitled to damages by applying the agreed escalation at the rate of 5% per annum on the admitted rent of Rs.23,000/- per month. The damages are therefore liable to be computed year-wise from the date of commencement of default i.e., 05.04.2021 till the date of delivery of possession on 11.11.2025. The yearly enhancement, calculated at 5% on the preceding year's rent, provides a rational and contractually sanctioned basis for determination of *mesne* profits. The damages for each year shall thus stand quantified in terms of the calculation indicated supra, instead of the arbitrary figure of Rs.46,000/- per month fixed by the Trial Court.



15. At this stage, the learned counsel appearing for the respondent-Landlord fairly submits that the plaintiff was holding a security deposit of Rs.1,25,000/- paid by the defendant at the inception of tenancy. It is also not in serious dispute that the defendant had failed to pay monthly maintenance charges at the rate of Rs.250/- per month during the period of occupation. If the said maintenance charge of Rs.250/- per month is calculated for a period of four years, the same works out to Rs.12,000/-.

16. On a cumulative calculation of the arrears of rent, inclusive of the enhanced rent applying 5% yearly escalation and adding the maintenance charges of Rs.250/- per month, the total arrears payable by the defendant come to Rs.14,20,764/-. After giving due credit to the security deposit of Rs.1,25,000/- retained by the plaintiff, the net amount payable to the plaintiff-Landlord works out to Rs.12,95,764/-.



17. Accordingly, this Court holds that the plaintiff is entitled to recover the aforesaid sum of Rs.12,95,764/- towards arrears of rent and damages for use and occupation up to 11.11.2025. Consequently, Point No.(i) is answered in the **"Affirmative"**, holding that the quantum of damages determined by the Trial Court required modification and stands recalculated as indicated above.

18. **Point No.(ii)** :- For the foregoing reasons, this Court proceeds to pass the following;

ORDER

- (i) The appeal is allowed in part.
- (ii) The judgment and decree of the Trial Court insofar as it relates to the quantum of damages is modified. The defendant-Tenant is hereby directed to pay a sum of Rs.12,95,764/- (Rupees Twelve Lakhs Ninety-Five Thousand Seven Hundred and Sixty-Four only) to the plaintiff-Landlord towards arrears of rent and damages



for use and occupation up to 11.11.2025, after adjusting the security deposit.

- (iii) The aforesaid amount shall be paid to the plaintiff unconditionally within a period of three (3) months from the date of receipt of a certified copy of this judgment.
- (iv) In the event of default in payment within the stipulated period, the plaintiff shall be at liberty to initiate appropriate execution proceedings in accordance with law for recovery of the said amount.
- (v) Draw decree accordingly.

**Sd/-
(SACHIN SHANKAR MAGADUM)
JUDGE**